

**01654**

**1993/12/04**

ROUTINE

LIMITED OFFICIAL USE  
EAP/UNCLASSIFIED CENTER

INCOMING

Apr 2 21

PAGE 81 BEIJIN 43566 840302Z  
ACTION: CM(B5)

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CHENGDU.

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4. FURTHER ON THE SICHUAN ECONOMY, LI ADDED THAT  
THE RURAL AREAS CONTINUED TO BE Mired IN POVERTY.  
HE SAID THAT THE GOVERNMENT HAD MADE A CONSIDERABLE  
EFFORT TO END THE PROBLEM OF IOU'S BEING GIVEN TO  
FARMERS FOR CROP PURCHASES, BUT HE COULD NOT SAY  
THE PROBLEM NO LONGER EXISTED.

5. CLOSING THE MEETING, THE CONSUL GENERAL REVIEWED  
POSITIVE DEVELOPMENTS IN RELATIONS WITH SICHUAN IN  
THE PAST YEAR, INCLUDING SMOOTH ESTABLISHMENT OF  
THE PEACE CORPS PROGRAM. HE URGED THE SICHUAN FAO  
TO LOSEN REMAINING RESTRICTIONS ON THE CONSULATE,  
ESPECIALLY THE BAH ON TRAVEL TO VIRTUALLY ALL OF  
WESTERN SICHUAN. LI EXPRESSED SOME OPTIMISM  
RESTRICTIONS COULD BE EASED, BUT POINTED OUT THAT  
TOURIST AND TRANSPORTATION INFRASTRUCTURE IN THE  
AREA IS SEVERELY LACKING.  
CAMP UNQUOTE  
ROY

INFO: TC(B1) EAP(B4) P(B1) RA(B1) EP(B2) CONG(B5)  
----- 8411372 A2 DDK (TOTAL COPIES: B15)

ACTION EAP-B8

INFO LOG-B8 ACDA-17 AID-B8 AIT-B3 CEA-B1 CIAE-B8 COME-B8  
CTHE-B8 C-B1 DASY-B8 DODE-B8 DOEE-B8 EB-B8 EXIN-B8  
E-B1 FRB-B3 HA-B9 H-B1 TEDE-B8 INR-B8 ITC-B1  
JUSE-B8 LAB-B4 L-B8 ADS-B8 MOFM-B8 MOF-B3 NSAE-B8  
NSCE-B8 OMB-B1 OPIC-B8 PA-B1 PH-B8 PRS-B1 P-B1  
SNP-B8 SP-B8 SS-B8 STR-16 TRSE-B8 T-B8 USIE-B8  
SA-B8 /891W  
----- BC7286 840358Z /38

R 840302Z DEC 93  
FM AMEMBASSY BEIJING  
TO SECSTATE WASHDC 8479  
INFO AMCONSUL HONG KONG  
AMCONSUL SHENYANG  
AMCONSUL GUANGZHOU  
AMCONSUL SHANGHAI  
AIT TAIPEI 2981

LIMITED OFFICIAL USE BEIJING 843566

THIS IS CHENGDU 2667.  
QUOTE:

E.O. 12356: N/A  
TAGS: PREL, PGOV, ECON, EINV, KREC, CH  
SUBJECT: SICHUAN GOVERNMENT APPLAUDS CLINTON-JIANG  
- MEETING; SEES DOMESTIC SPINOFF

DEPARTMENT OF STATE		IS/FPC/CDR (1)	Date: 1 May 96
<input checked="" type="checkbox"/> RELEASE	<input type="checkbox"/> DECLASSIFY	MR Cases Only:	
<input type="checkbox"/> EXCISE	<input checked="" type="checkbox"/> DECLASSIFY	EO Citations	
<input type="checkbox"/> DENY	IN PART	TS authority to	
<input type="checkbox"/> DELETE	Non-Responsive Info	<input type="checkbox"/> CLASSIFY as ( ) S or <input type="checkbox"/> DOWNGRADE TS to ( ) S or ( ) C	
FOIA Exemptions			
PA Exemptions			

1. THE MEETING BETWEEN PRESIDENTS CLINTON AND  
JIANG WAS "INSPIRING," ACCORDING TO SICHUAN PROVINCE'S  
SENIOR FOREIGN AFFAIRS OFFICIAL. THE FOREIGN AFFAIRS  
DIRECTOR LED OFF A YEAR-END REVIEW WITH THE CONSUL  
GENERAL TO MAKE THE POINT THAT HE WAS OPTIMISTIC  
THAT THE SEATTLE MEETING PORTENDED EXPANDED AND  
IMPROVED RELATIONS BETWEEN THE U.S. AND CHINA.  
HE IMPLIED THAT THE WARMING OF TIES WOULD ALSO HAVE  
THE SIDE-EFFECT OF HASTENING CHINA'S REFORM AND  
OPENING PROCESS.

2. DIRECTOR LI CHANGCHUN SAW THE PROSPECT OF  
INCREASED EXCHANGES BETWEEN SICHUAN AND THE UNITED  
STATES AND URGED MORE BUSINESS INVESTMENT, CULTURAL  
EXCHANGE, AND GOVERNMENT CONTACTS, INCLUDING CODELS.  
CONSUL GENERAL REVIEWED THE MAJOR U.S. INVESTMENTS  
OF 1993 -- ATT, PROCTER AND GAMBLE, AND PEPSI COLA --  
AND URGED THE SICHUAN GOVERNMENT TO CONTINUE TO  
IMPROVE ITS BUSINESS ENVIRONMENT, AND ESPECIALLY  
ITS TRANSPORTATION AND COMMUNICATION INFRASTRUCTURE.  
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3. CONSUL GENERAL ASKED WHETHER THERE WAS A  
CONTINUING EFFECT ON THE LOCAL ECONOMY OF THE  
CENTER'S AUSTERITY POLICIES AND WHAT HE FORESAW  
FOR SICHUAN IN THE PRONOUNCEMENTS OF THE THIRD  
PLENUM. LI SAID HE THOUGHT THE AUSTERITY POLICIES  
WERE GRADUALLY BEING RELAXED, THAT REAL ESTATE  
PROJECTS HAD BEEN SHARPLY AFFECTED (AND, HE SAID,  
RIGHTLY SO), BUT THAT THE OVERALL EFFECT HAD NOT  
BEEN TOO DRAMATIC. LI SAID THE THIRD PLENUM POLICIES  
WERE MOST STRIKING WITH REGARD TO LARGE-SCALE STATE

ENTERPRISE, WHICH WOULD BEGIN TO SEPARATE OWNERSHIP  
FROM MANAGEMENT. HE EXPRESSED THE WIDELY-HELD HOPE  
THAT SICHUAN WOULD BE PERMITTED BY BEIJING TO  
ESTABLISH A FORMAL STOCK EXCHANGE TO REPLACE THE  
INFORMAL (AND UNREGULATED) ONE NOW IN PLACE IN

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